Non-refund of security papers by Punjab and Sind Bank Ltd.

4028. SHRI N.R. GOVINDARAJAR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Punjab & Sind Bank Ltd. have not returned the security papers like Power of Attorney, Sale Deed etc. of guarantors even after the full payment of loan amount;

(b) if so, how many such cases are pending for more than one year in Delhi office of PSB;

(c) whether some complaints in this regard have been received from guarantors; and

(d) if so, what steps the bank is contemplating to release the security papers of guarantor immediately?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) No, Sir. Punjab & Sind Bank has reported that security papers like power of attorney, sale deed etc., are released after adjustment of loan account, except where liability remains to be recovered.

(c) Yes, Sir.

(d) The bank has reported that security papers of guarantors will be released after full recovery in connected accounts.

Confidentiality of account holders of banks

4029. SHRI LALIT SURI: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that banks in the country, particularly in the metropolitan cities are providing details of bank accounts of those having huge balances to their credit to other banks/companies who offer free credit/debit cards and other schemes to them, the information of which may be used by undesirable elements including terrorists;

(b) if so, whether Government/RBI propose to issue strict directions to banks not to indulge in illegal and unethical practices and to maintain strict confidentiality of account holders; and

(c) if so, by when, such instructions are likely to be issued?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Information relating to the accounts of the customers cannot be divulged by the banks except as otherwise provided by law.

(b) and (c) Do not arise.

Honouring of third party transaction by insurance companies

4030. SHRI MANOHAR GAJANAN JOSHI: Will the Minister of FINANCE be pleased to state:

(a) whether insurance companies do not honour third party insurance;

(b) if so, the reasons therefor;

(c) whether Insurance Regulatory Development Authority has issued any order to insurance companies to honour third party insurances;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): Insurance Regulatory and Development Authority (IRDA) has informed that some instances of refusal of motor third party insurance cover by insurers have been brought to its notice and these have been taken up with the concerned insurers.

(b) Due to adverse claim experience, insurers are wary of taking on third party risks, and have been voicing their concern on inadequate pricing which has rendered the portfolio unsustainable.

(c) to (e) Yes, Sir. IRDA has issued directives that no insurer shall deny Motor Third Party Insurance to any vehicle having a valid fitness certificate.

Allocation for social sectors of tribal areas

4031. MS. MABEL REBELLO: Will the Minister of FINANCE be pleased to state:

(a) whether the yearly allocation of financial assistance on social and infrstructure is sectors biased towards developed districts and States of